



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 106<sup>th</sup> CONGRESS, SECOND SESSION

Vol. 146

WASHINGTON, MONDAY, FEBRUARY 7, 2000

No. 9

## Senate

The Senate met at 12:01 p.m. and was called to order by the President pro tempore [Mr. THURMOND].

### PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, we begin this new week with a renewed commitment to You. The words of Mother Teresa of Calcutta stimulate greater depth in our prayer: "Here I am Lord, body, heart, and soul. Grant that with Your love I may be big enough to reach the world and small enough to be at one with You."

We echo this sentiment, Father. As we begin this new week, astound us again with the limitless resources You offer us to do Your work. Remind us that Your power is released for leadership that follows Your priorities of righteousness, justice, and mercy. May our constant question be: "Lord, what do You want us to do?" Keep us humble with the conviction that we could not breathe a breath, think a thought, write with clarity, nor speak with persuasion without Your grace and gifts. So we move into this new week with deeper dependence on You and greater dedication to give You the glory for all that we are and have and are able to do. You are our Lord and our Saviour. Jehovah, our God. Amen.

### PLEDGE OF ALLEGIANCE

The Honorable ARLEN SPECTER, a Senator from the State of Pennsylvania, led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

### RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The Senator from Pennsylvania is recognized.

Mr. SPECTER. I thank the distinguished President pro tempore.

### SCHEDULE

Mr. SPECTER. On behalf of our distinguished majority leader, Mr. President, I have been asked to make the following announcement.

Today, the Senate will be in a period of morning business until 2 p.m. Following morning business, the Senate will begin consideration of S. 1052, the Mariana Islands legislation. As previously announced, there will be no votes during today's session of the Senate. Therefore, any votes ordered on the Mariana Islands bill will be scheduled to occur on Tuesday. Also on Tuesday, the Senate is expected to begin consideration of the nuclear waste bill. It is hoped that action on that legislation can be completed by the end of the week. I thank my colleagues for their attention.

### ORDER OF PROCEDURE

Mr. SPECTER. Mr. President, I now ask unanimous consent that I may be permitted to speak in morning business next and following that, my distinguished colleague from Iowa, the senior Senator, Mr. GRASSLEY, may be permitted to speak in morning business for up to 8 minutes.

The PRESIDING OFFICER (Mr. ROBERTS). Without objection, it is so ordered.

(The remarks of Mr. SPECTER pertaining to the introduction of S. Res. 253 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The distinguished Senator from Iowa is recognized.

### PERMANENT NORMAL TRADING RELATIONS WITH CHINA

Mr. GRASSLEY. Mr. President, I want to spend a few minutes talking

about two very important issues, one of which will come before the Senate later on this year, and that is the trade agreement with China which has just been negotiated. We call that permanent normal trading relations. The other subject is the WTO, which is an ongoing situation on which we probably will not take any action—at least negative action—this year, but it is something we always have to consider because every day and every hour there are certain decisions and discussions going on at the World Trade Organization that affect the U.S. economy.

On China and the permanent trade relations vote we are going to have, it is very important that we do this right and do it soon but not do it before we have all the information we need. It is also important to get China into the World Trade Organization.

We do not vote on China going into the World Trade Organization as a Senate, but it seems to me it is very necessary that we establish China with permanent normal trading relations with the United States in order to set the stage for China to be in the WTO.

This is the first time China has agreed to submit itself to international trade disciplines. That, in and of itself, is a very historic and important development. Clearly, China acts in its own national interest and, of course, the United States should act in its own national interest. That is why I say it is most important to our national interest to agree to rules by which we can conduct more open commerce with China. Common sense dictates that it is a win-win situation for the United States since we have few restrictions on imports of China's products into the United States. Basically, it is a no-brainer, as far as I am concerned, to accept their lowering barriers to our exports to that 1-billion-people Nation.

As far as the issue of human rights and national security—and they always come up when we discuss this issue with China—I believe the United States

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



Printed on recycled paper.

S345

is big enough, the United States is strong enough, we are sophisticated enough, and we are smart enough to serve more than one vital national interest at the same time.

In other words, we can be concerned about human rights, we obviously have to be concerned about our national security because no other nation will be, but we can also be concerned about our commerce with other countries, particularly the biggest country in the world, a country that has reduced, through this agreement, barriers for our goods to go to their country; in other words, setting the stage for a more level playing field because we already let a lot of Chinese goods into this country. There are very few restrictions.

We can take our commerce into mind, we can take human rights and national security into mind, and we do not have to compromise. We can and must have a national security policy that protects our vital security interests. When there is a breakdown that threatens our security, we must and will fix it. We can and must speak out for the oppressed who cannot speak for themselves, and we can and must advance our interests in open markets and trade liberalization.

We can and must do all these things at the same time. We can do this because trade, in and of itself, has so many different dimensions. Through trade, we export more than goods. We export more than manufactured products and services. When we have people-to-people relations that come about through commerce, we export part of our values, part of what makes America great: our American values. We also export, it seems, part of our society. That is why we must engage China commercially.

While I would like to see the Senate vote to approve permanent trading relations for China as soon as possible, the timing of this vote is not entirely in the Senate's hands.

First, China has to complete its remaining bilateral negotiations, especially with the European Union. The European Union may conclude a bilateral deal with China later this month. But some tough issues still remain between those two giants. So it is not clear when these bilateral talks will end.

If China finishes its negotiations with the European Union, China still has to conclude negotiations with 10 other trading partners, as well as the Association of Southeast Asian Nations.

Second, we have to complete work on the protocols that provide the underpinnings for the United States-China agreement that was signed last November and which is the basis for permanent normal trading relations between the United States and China. Several challenging protocol issues remain to be resolved.

In my view, we can only have the permanent normal trading relations

vote after all these steps in the process are completed. Senators, including this Senator, of course, will want to carefully review—in fact we have the responsibility to make sure we carefully review—the results of the protocol working party, which may be held in March, and carefully look at all the details before we schedule the permanent normal trading relations vote.

As far as the Senate action on normal trading relations is concerned, I expect that every aspect of the agreement be transparent. That means everything besides the protocols—meaning the written protocols, including side letters, oral or even wink-of-the-eye understandings—must be put on the table before the Senate so that each of the 100 Senators are aware of them. That is what I mean when I say transparency.

As Senators, we cannot make the same mistake we made with the Canadian Free Trade Agreement, of being oblivious to the side letter, the agreement contents of which have been unfair to our wheat farmers ever since. Senators never knew about that until about 5 or 6 years after the Canadian Free Trade Agreement was voted on by the Senate. That is why, when it comes to normal trading relations with China—and it is very important we approve that agreement—everything has to be on the table.

On the issue of the World Trade Organization, the most shocking thing that happened in Seattle—apart from the riots and the mindless destruction—was that there was no consensus to move forward. No agenda was agreed to. This lack of consensus is especially shocking when you consider how much trade has helped bring unprecedented prosperity not only to the United States but around the world.

In 1947, when this all started with the first round of multilateral trade negotiations—that was called the Geneva Round—the total world value of trade was only \$50 billion. Today, it is \$7 trillion. It is hard to think of a moment in history when such prosperity has been generated in such a short period of time.

But despite this huge increase in our collective wealth, the world's trade ministers in Seattle could not reach agreement over how to keep this great economic engine going and create even more prosperity that will naturally result not just to the United States but to everybody in the world through freer trade. It does not take a rocket scientist to understand how much greater our national wealth is because of freer trade. Common sense dictates that we should continue down this path.

The mandated negotiations on agriculture and services, the so-called building agenda, are now underway in Geneva. We may even have a special agricultural negotiation process to continue the agricultural portions of the talks. But I do not think we will see any quick agreement on the items

that were left on the table in Seattle or even on the question of whether to restart the negotiations on drafting a ministerial declaration.

Instead, I think we will see, in Geneva, a period of quiet consultation and consensus building. Considering the disaster that took place in Seattle, maybe it is easy to conclude that we do need a period of quiet consultation, and particularly consensus building, because nothing happens in the WTO except by consensus. So if everybody worries about America's interests being compromised at the WTO, just remember, it is done by consensus. If the United States does not agree to it, it will not get done.

Seattle, of course, was a huge shock to the World Trade Organization and the process. We must try to restore mutual confidence among all the parties. The negotiators will need some time, perhaps even a few months, to refine their positions after the start of consultations.

In summary, I see the next few weeks and months in Geneva as a period where we try to restore faith in the World Trade Organization and in each other and try to rebuild the groundwork for the process of establishing a consensus on trade. Progress may be incremental, but I believe we can achieve it.

When it comes right down to it, rebuilding this confidence is not just a job for the WTO or just for our negotiators; it is a challenge we will have to address in the Senate, particularly in the Finance Committee and in my trade subcommittee.

How can we get there? I believe there is one way. We must make a moral case for free trade. We must do a better job of making the case that free trade has helped us keep the peace, that free trade has brought freedom and prosperity to millions, that it has helped families and nations attain new levels of economic progress. I believe it is up to Congress to help make the moral case for free trade. The future of our international trading system may depend upon how well we do it. I intend to address this topic of the moral case for free trade many times this year. It may be one of the most important things we do this year in the Senate.

Mr. President, I notice there are no other Members who have come to speak, so I ask unanimous consent to continue on my time in morning business to address another issue. I ask unanimous consent for 15 minutes at the most.

THE PRESIDING OFFICER. Without objection, it is so ordered.

#### THE ADMINISTRATION'S FARM ASSISTANCE PROPOSAL

Mr. GRASSLEY. Mr. President, I come to the floor this afternoon to discuss the recent farmer assistance package outlined in the President's budget proposal. It is often the case that these proposals are complicated and difficult